

Memo

To: Pima County Bond Committee
City of Tucson Bond Committee
County Administrator Huckelberry

From: Barbara R. Levy, ACFRE¹
Karla Van Drunen Littooy, CFRE²

Re: Analysis of Fundraising Capacity/ Readiness for Downtown Community Theaters and Historic Landscape

Background

Fundraising is a combination of science and art. For that reason, organizations mounting capital campaigns typically engage consultants to guide them. The general public is not expected to have knowledge of the infrastructure or strategy of such campaigns. The public normally is introduced to a campaign once the “quiet phase” of leadership fundraising is complete, and the project is funded by at least 50%. Given that strategy, campaigns look fairly easy. This document outlines the basic picture of the infrastructure required for a successful campaign. Hopefully, it will provide insight to the demand that would be placed on organizations required to match bond funding.

Executive Summary

Together, we have nearly 70 years of professional experience in philanthropy and fundraising.

The question at hand is: could a fundraising capital campaign supplement bond funding for restoration, rehabilitation, and improvements to the Downtown Community Theaters and Historic Landscape. Given the current situation, it is possible, but improbable that such a campaign would be successful.

Opportunities and Challenges

Opportunities of such a campaign would be:

- A. Significant opportunity for donors to name spaces, within the theaters and throughout the landscape, and have high visibility for their gifts;
- B. Appeal to varied constituencies: civic boosters, arts patrons, historic preservationists, landscape preservationists, park and green space advocates, etc.;
- C. Visible location in Downtown Tucson;
- D. Coordinates with Downtown Tucson’s revitalization.

¹ ACFRE – Advanced Certified Fund Raising Executive

² CFRE – Certified Fund Raising Executive 2000- 2012

Potential is limited, however, by these fundamental gaps in fundraising readiness:

- I. Organizational structure is not in place. No not-for-profit entity represents the 46 civic, corporate, religious, and performing arts organizations that rent the Downtown Community Theaters and Historic Landscape.⁵ A coalition would need to be built, staffed and managed. Alternately, an entity such as the Community Foundation of Southern Arizona could spearhead such a coalition.
- II. An expeditious timeline appears improbable. A fundraising feasibility study would test a fundraising goal. For feasibility study results to be reliable, bond funding would need to be assured. A feasibility study would immediately follow confirmed bond funding; fundraising would commence soon after the study's conclusion; and the project would commence in short order to give donors assurance and motivate additional gifts.

Capital campaigns require the following specific steps to ensure their viability:

1. A strong Case For Support outlining specific, measurable goals and a timeline for completion that is meaningful to the stakeholders and potential donors.
2. A constituency that has been giving for more than 10 years.
3. A professionally run feasibility study that will help to identify a lead gift of 10% or more to the campaign.
4. A systematic fundraising timetable that commences within three months of the feasibility study.
5. A campaign management budget of 10% of the total campaign for marketing, increased staffing, and cultivation events, etc.
6. A leadership team of experienced and willing fundraising volunteers.
7. A three-year pledge period in which to accept payments of pledges.

It is very possible that fundraising could augment bond funding. However, should Pima County bond funding for the Downtown Community Theaters and Historic Landscape require matching philanthropic funds, without the addition of an operating budget to create an organization/entity to fundraise and without assurances of timing, it is highly likely these matching funds could not be raised and the bond funds at the currently proposed \$18M-level, would leave the project without sufficient funding.

We would be happy to answer questions; our contact information is below:

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⁵ Data provided by SMG. In FY14, 46 organizations rented the Leo Rich Theater and the Music Hall. Of interest, the Tucson Symphony Orchestra rented 43% of the Music Hall performance rental days.